

Appendix 10: Forest Revitalization Act Update.

At the request of the Acting Deputy Chief Forester, this update was added to Management Plan 10. It outlines the Forest Revitalization Act and the effects of the act to date on TFL 1. Several aspects of the Forest Revitalization Act are still being negotiated and as such, have not been included in this Appendix.

On March 31, 2003, the Forestry Revitalization Act (the "Act") took effect. The Act required Major Licensees in B.C. to return 20% of their Allowable Annual Cut (beyond the first 200,000m³ held under tenures) to the Crown. Roughly half of the volume in B.C. that was returned to the Crown was distributed to First Nations, Community Forests, and Woodlots. The other half of the volume was allocated to BC Timber Sales (BCTS) to administer and auction in timber sales that would increase the volume of timber sold on the open market. The volume sold on the open market will help set stumpage rates for timber not sold through auctions (ex. CTR's TFL 1). Although, the Allowable Annual Cut 's (AAC) of many TFL's and Timber Supply Areas in the province will change as a result of the Forestry Revitalization Act, the Act is not intended to change the overall timber supply in the province. The intent of the Act is to redistribute the timber supply.

The Act affects the TFL in several ways. These include:

1. Coast Tsimshian's portion of cut on TFL 1 has been reduced by 120,782m³.
2. BC Timber Sales has been awarded 91,991m³ of the TFL 1 volume returned to the Crown.
3. First Nations will be awarded 28,791m³ of the TFL 1 volume returned to the Crown

The resulting allocation of timber on TFL 1 is¹:

1. Coast Tsimshian Resources LP = 430,055m³
2. BC Timber Sales = 121,941m³
3. First Nations = 57,790m³ (this includes 28,791m³ from reallocation and 28,999m³ allocated to "other" on schedule B lands).

A Forest and Range Agreement (FRA) was signed between the Crown and Kitselas and Kitsumkalum Bands. Signed by both bands in January 2004, the FRA agrees to provide the bands jointly with 300 000m³ over 5 years. Section 2 of the FRA states that:

- 2.1.1 *set out the measures to be implemented to address Kitselas and Kitsumkalum Indian Bands interests regarding forestry decisions within Kitselas and Kitsumkalum traditional territories during the term of this agreement*
- 2.1.2 *assist in the revitalization of the forest economy in northwest British Columbia by providing opportunities for increased First Nation participation in the forest economy and stability to forest and stability to resource development and operations within Kitselas and Kitsumkalum traditional territories over the term of the agreement*

As part of the FRA, the bands are invited to apply for a non-replaceable Forest License for up to 300 000m³ over a 5 year term (a harvest of 60 000m³, annually). In turn the bands must agree to timely consultation with government over activities proposed within their traditional territories.

Kitsumkalum and Kitselas cannot apply for their NRFL's until the parties have agreed to operating areas. These areas must be within *Kitselas and Kitsumkalum* traditional territories.

¹ Data presented by John Perras, Tenures Officer, Kalum Forest District, July 27, 2006

The redistribution of harvest volumes on TFL 1 is to be accompanied by defined operating areas for each of the 4 parties listed above. Operating areas will contain an amount of the Timber Harvesting Land Base within TFL 1 that is proportionate to each party's proportion of the TFL 1 AAC.

CTR, MoFR, and BCTS are into the latter stages of negotiating long-term operating areas for BCTS, Kitsumkalum, and Kitselas on TFL 1. Non-CTR defined operating areas delineated within the current TFL 1 boundaries may be deleted from TFL 1 at a later date.